

WARREN COUNTY BOARD OF SUPERVISORS

COMMITTEE: **PUBLIC WORKS (AIRPORT)**

DATE: JANUARY 14, 2008

**Committee Members Present:**

Supervisors Belden  
Bentley  
Tessier  
Stec  
Merlino  
Haskell  
Taylor  
Goodspeed

**Committee Member Absent:**

Supervisor Champagne

**Others Present:**

Marshall Stevens, Airport Manager  
William Lamy, Superintendent, Public Works  
Frederick Monroe, Chairman  
Hal Payne, Commissioner of Administrative &  
Fiscal Services  
Paul Dusek, County Attorney  
Joan Sady, Clerk of the Board  
Supervisor Strainer  
Supervisor Kenny  
Frank O'Keefe, Treasurer  
Leonard Fosbrook, President, Economic  
Development Corporation  
Nicholas Caimano, Adirondack Regional Chamber  
of Commerce  
Jerry Caruso, Glens Falls Pilot & Owner's  
Association  
George Thurston, Glens Falls Pilot & Owner's  
Association  
Christopher Hatin, Glens Falls Pilot & Owner's  
Association  
Michael J. O'Connor, Little & O'Connor  
Merile Latterell, Halfmoon Flyers, LLC  
Richard Bovey, Argyle Aviation  
F.H. Alexander, Argyle Aviation  
Mark A. Reynolds  
Keith L. Harris, K. Harris Flying, LLC  
Michael J. Smith, Pilot  
Jonathan Lapper, Esq., Bartlett, Pontiff, Stewart &  
Rhodes  
Richard Schermerhorn, Northern Holdings  
Frank Ulka, Norther American Flying Service  
Gordon Woodworth, *The Chronicle*  
Debra L. Schreiber, Sr. Legislative Office  
Specialist

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Mr. Belden called the Public Works Committee meeting to order at 9:30 a.m.

Motion was made by Mr. Haskell, seconded by Mr. Stec, and carried unanimously to approve the minutes of the November 27, 2007 Committee meeting, subject to correction by the Clerk.

Privilege of the floor was extended to William Lamy, Superintendent of Public Works, who distributed copies of his Agenda to the Committee members; a copy of same is on file with the

minutes.

Mr. Lamy requested permission for Chairman Monroe to execute correspondence from the consultant, R.K. Hite & Company, Inc., acknowledging receipt of the Partial Title Search Certifications for the acquisition of parcels relative to the Corinth Road (CR 28) Reconstruction Project. He stated these properties had been identified in previous resolutions which authorized payment of just compensation.

Motion was made by Mr. Stec, seconded by Mr. Haskell and carried unanimously approving the request as outlined above; and the necessary resolution was authorized for the January 18, 2008 Board Meeting. *A copy of the resolution request form is on file with the minutes.*

With respect to the contracts that were being negotiated on the Corinth Road project, Mr. Lamy indicated the appraised value of these parcels had been approved for those owners holding title to the property at the time the valuations were performed. However, he said, since that time, property transfers had occurred and he queried whether additional resolutions would be required concerning those properties that reflected a change in ownership. Paul Dusek, County Attorney, recommended a resolution be prepared designating any new owners.

Motion was made by Mr. Stec, seconded by Mr. Merlino and carried unanimously approving the request to amend Resolution No. 837 of 2006, as outlined above; and the necessary resolution was authorized for the January 18, 2008 Board Meeting. *A copy of the resolution request form is on file with the minutes.*

On January 7, 2008, Mr. Lamy apprised that Marshall Stevens, Airport Manager, submitted his resignation effective February 22, 2008, as he had accepted a position in Harrisburg, Pennsylvania. Pursuant to discussions with the Commissioner of Administrative & Fiscal Services and the Committee Chairman, he said, it was their recommendation that this matter be brought before the Public Works Committee. Mr. Stevens added the Notice of Intent to Fill Vacant Position was attached to the Agenda.

Mr. Stevens stated it was a privilege to serve as the Airport Manager at the Floyd D. Bennett Airport in Warren County. He said he had accepted the position of Deputy Executive Director of the Susquehanna Area Regional Airport Authority (SARAA), which operated four airports and had 120 employees. While he was excited about this new opportunity, Mr. Stevens added the DPW employees, Airport staff and supervisors of Warren County were among the best.

Mr. Bentley entered the meeting at 9:38 a.m.

Mr. Haskell commended Mr. Stevens for the many Airport improvements made during his tenure and specifically noted that he would surely be missed. In order to obtain a number of qualified Airport Manager candidates, Mr. Tessier recommended Warren County advertise in an airport magazine that had connections with the Federal Aviation Administration (FAA).

Mr. Lamy asked Mr. Stevens to briefly outline the numerous current, as well as anticipated Airport projects.

As Airport Manager, Mr. Stevens apprised that he managed many capital projects; increased the number of Airport leases; oversaw the maintenance and operations of the Airport; and worked in conjunction with the Economic Development Corporation (EDC) to lure businesses to the area. With respect to the Runway 1 Safety Area Project, which the FAA identified as a priority project, he stated, they had achieved a mitigation concept to move the project forward as they had obtained the necessary permits and expected construction to commence in the Spring 2008.

At the next Public Works Committee meeting, Mr. Stevens said he would request permission to rehabilitate the Cross-Wind Runway. He explained that he expected the Cross-Wind Project to commence in close proximity with the ongoing work of the Runway 1 Safety Area Project, which would necessitate a strong coordination at the Airport level in order for the two projects to work simultaneously. In addition, he indicated the Airport Master Plan identified a Runway Extension to serve the increased aircraft traffic of both private and corporate jets. He said he expected to see continued hangar development, as there currently existed four new hangars and one new aircraft maintenance hangar. Mr. Stevens related the fixed base operator (FBO) contract would expire at the end of 2008 and had no renewal provision; however, he said, as required by law, it was his intention to submit an RFP (Request For Proposal) for a new fixed base operator. He further added that he intended to present to the Committee a draft lease for the rental of the old maintenance hangar.

Mr. Stevens apprised there were qualified individuals that had expressed an interest in the position of Airport Manager and he felt these people would continue the efforts made by this Board.

Motion was made by Mr. Tessier, seconded by Mr. Haskell and carried unanimously to accept the resignation of the Airport Manager.

Mr. Tessier stated a successful Airport Manager candidate must possess Airport knowledge and expertise, as well as maintaining a good working relationship with the Department of Public Works (DPW), which has already been established. Based on previous experience, he recommended advertising the Airport Manager vacancy as soon as possible.

Motion was made by Mr. Tessier and seconded by Mr. Haskell approving the request to Fill the Vacant Position of Airport Manager.

Mr. Monroe indicated there had been some discussions amongst the Supervisors about privatizing Airport operations and he asked the Committee to consider that as a possible option. While the ultimate conclusion may be to keep the Airport operations status quo, he said, the option ought to be explored. Mr. Stec suggested conducting two simultaneous parallel searches, privatizing management operations of the Airport, as well as filling the vacant position of Airport Manager.

Mr. Stevens indicated that he had conducted some research relating to privatizing Airport management operations that involved grant assurances, FAA enforcement of compliance requirements; and the privatization program, which the FAA implemented with Congressional Authority in 1997. He briefly explained the privatization program and the results thereof. In addition, he said, the FAA advised him there was a three year minimum time frame for the entire privatization process. Based upon his research, Mr. Stevens concluded that the primary reason for failure or withdrawal in the privatization program was the lack of a steady income stream to support the private operators. He further stated the private operator would be required to fulfill the

same obligations as the County through its grant assurances; however, he said, giving exclusive control of all Airport property to one private operator would not be permissible.

Mr. Stevens apprised that Management Agreements were now considered a common practice in the Airport industry and these agreements allowed counties to maintain an active role in the lease management of the Airport, while a private operator performed the day-to-day operations. Mr. Stevens explained there was no financial incentive for a private operator to participate in the Adirondack Balloon Festival, as there was no direct revenue to the airport; the money to the County was realized by sales and occupancy tax. He said it was his belief these management agreements were successful in the larger cities that had a significant income stream rather than the smaller airports whereby their costs were insignificant. Mr. Stevens indicated it was his opinion Warren County should hire a qualified Airport Manager and continue to maintain the current Airport operations.

Mr. Tessier related that during his tenure Warren County paid to maintain the Airport property and just recently they had realized an increase in revenue by the various events they hosted, fuel sales, et cetera, and he was not in favor of negotiating a lease with a private entity for Airport operations.

Hal Payne, Commissioner of Administrative Services, stated the revenue depicted in the 2008 Budget was \$78,400 while the total Airport expenses totaled \$664,991, resulting in a \$586,000 cost to the County taxpayers to operate the Airport.

According to the 2002 State of New York Business Plan/Economic Impact Study, Mr. Stevens said the total economic impact generated by the Airport was \$4.3 million. In addition, he stated, NYS recommended developing the northeast quadrant; attracting corporate aviation; and constructing a new maintenance hangar as a means to increase revenue at the Airport and decrease the amount paid by the taxpayers.

Mr. Stevens said he concurred with Mr. Tessier that the Airport had the potential to generate significantly more revenue. Messrs. Merlino and Taylor agreed with Supervisor Tessier emphasizing the new Airport Manager must have a strong marketing and promotion background. Mr. Tessier stated the figures given to the Committee by Mr. Payne did not accurately reflect the benefits derived by the entire community, such as sales tax, occupancy tax, employment, et cetera. Mr. Stec said he found the privatization analysis informative and wished to thank Mr. Stevens for his efforts.

Leonard Fosbrook, President of Economic Development Corporation (EDC), related their Department set aside matching funds to potentially develop the 90 acre parcel into an aviation industrial park. While the County interviewed prospective Airport Manager candidates, Mr. Fosbrook suggested their Office conduct a study of other communities to determine whether Warren County had the resources available to privatize the Airport. In order for the Committee to make an informed decision, Mr. Monroe encouraged the Public Works Committee to support the proposal given by Mr. Fosbrook.

When Mr. Stevens submitted his resignation, Mr. Lamy stated they discussed backfilling the Airport Manager position with existing DPW staff; however, he said, they quickly learned this position required specialized duties. Therefore, Mr. Lamy requested permission to advertise the Airport Manager position.

In response to an inquiry by Mr. Goodspeed, Mr. Stevens confirmed the Public Works Committee could potentially review the option to lease the non-aviation quadrant of the Airport. Mr. Dusek stated New York State (NYS) law required that all Airport property be utilized for aviation purposes and any deviations may necessitate State Legislation. Mr. Stevens stated he had knowledge of non-aviation industrial parks on airport property; however, he said, he was uncertain of the mechanism that made it happen.

Michael Smith, a pilot, stated he was unfamiliar with the operations of the County but asked the Committee to consider keeping the current position of Airport Manager and continue to operate the airport as it was currently being run.

Mr. Lamy asked whether the job description should include a "salary range" or be based on "education and experience". After a brief discussion, the general consensus of the Committee recommended excluding the salary range from the Airport Manager Job Description.

After discussion, Mr. Belden called the question and the motion was carried unanimously approving the request to Fill the Vacant Position of Airport Manager, due to resignation, and to refer same to the Personnel/Human Resources Committee. *A copy of the Notice of Intent to Fill Vacant Position is on file with the minutes.*

Mr. Monroe queried whether it was the intention of the Public Works Committee to accept the proposal made by Mr. Fosbrook.

Motion was made by Mr. Stec, seconded by Mr. Taylor and carried unanimously authorizing a study be performed by EDC relative to privatizing the management of Airport operations.

Mr. Stec stated he wished Mr. Stevens well and thanked him for a job well done.

There being no further business to come before the committee, on motion by Mr. Stec and seconded by Mr. Haskell, Mr. Belden adjourned the meeting at 10:10 a.m.

Respectfully submitted,

Debra L. Schreiber  
Sr. Legislative Office Specialist